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A Must for Republicans: Agenda for the Voters and A Vow to Follow Through

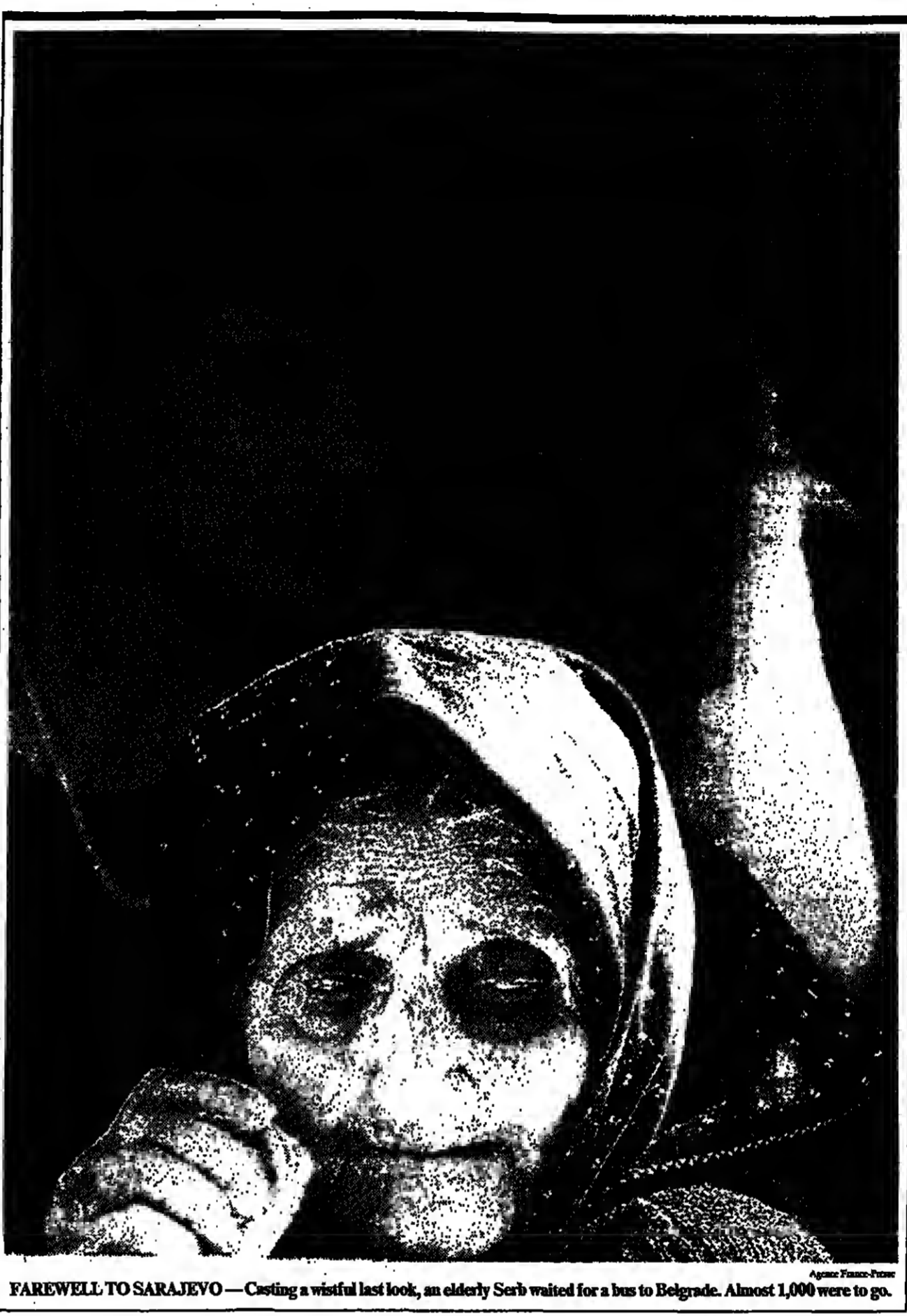
By E. J. Dionne Jr. Washington Post Service

HOUSTON — With a barrage of oratory, Republicans are embarking on what many of their strategists regard as the most important mission of their convention: convincing a doubtful nation that President George Bush

NEWS ANALYSIS

has coherent solutions to the country's domestic problems, and that he will fight hard for them if he wins a second term. Few here pretend that this will be an easy sell — and many Republicans say it is awfully late to be trying. Bush loyalists acknowledge that the president has seemed reluctant to battle hard even for the programs he has proposed himself. And they say he is still suffering from the fact that he was elected in 1988 more as an opponent of Democratic domestic initiatives — notably taxes — than as a proponent of any domestic plans of his own.

based on incentives to allow individuals and businesses to buy private insurance. The idea that unites these proposals is that government is better off "empowering individuals," as the popular conservative slogan goes, than in creating new bureaucracies. As the preamble to the platform put it: "We see with new clarity that centralized government bureaucracies created in this country are not the wave of the future. Never again will people trust planners and paper shufflers more than they trust themselves." This might be read simply as an updated, post-Cold War version of old-style conservative rhetoric. But by giving lead roles in the session on domestic issues to such top administration figures as Housing and Urban Development Secretary Jack F. Kemp, Education Secretary Lamar Alexander and Health and Human Services Secretary Louis W. Sullivan, the Bush camp hopes to convince voters that it has put substance behind the exhortations. All three, and particularly Mr. Kemp, have been spinning off policies sufficiently attractive that the Democratic nominee, Bill Clinton, has picked them up on some of them. Mr. Kristol says it is an irony that conservatives are perceived as running out of ideas at a time when their policy thinking on problems like education and health care is "much further along than in the Reagan era." The platform resonates with this agenda, too. Although most of the controversy over the document focuses on its strong anti-abortion plank and its conservative stands on social issues as pornography, homosexuality and the family, much of it is dedicated to more traditional areas of public policy. It calls for "a revolution in housing by con-



FAREWELL TO SARAJEVO — Casting a wistful last look, an elderly Serb waited for a bus to Belgrade. Almost 1,000 were to go.

Allies to Ban Iraqi Flights To Protect Shiite Zone

British Official Says Shield Will Be Set Up 'In the Next Few Days'

LONDON — The Gulf War allies plan to impose an air exclusion zone over southern Iraq in the next few days and attack any Iraqi planes entering the area, according to British and French officials. Senior British government officials said the decision to set up the zone was made after a cabinet meeting led by Prime Minister John Major. "It is something we propose to do in the next few days," a senior government official said. In Washington, the Defense Department spokesman, Pete Williams, accused Iraq of

Diplomats say the U.S. could take action against Iraq without UN authorization. Page 2.

"heightened disregard" for United Nations Security Council resolutions. He described "intrusive" moves by Iraqi ground and air troops in southern Iraq.

Mr. Major, who interrupted his vacation in Spain to head the cabinet meeting, accused President Saddam Hussein of waging "systematic murder, genocide, of the Shiites," who have rebelled against his rule.

"We propose to monitor the whole area from the air," he said in a broadcast interview. "We will instruct the Iraqis not to fly in that area. They will be attacked if they fly in the area that is proscribed."

If Iraqi forces try to fight back, he added, "I think we have seen in the past that they would lose."

"We're not doing it for no good reason," he said. "It's happening because there is clear evidence now of the systematic murder, genocide, of the Shiites; bombing by Saddam from the air on the Shiites, reports — not yet confirmed, but fairly good reports — of napalm being used."

Foreign Minister Roland Dumas of France confirmed that the allies would forbid Iraqi military flights over Shiite territory.

"The Baghdad regime has not been any more tender with the Shiite population than with the Kurdish population," Mr. Dumas said in Paris. "Thus the international community, and the allies in particular, are concerned about this situation."

Mr. Dumas said the protection would mirror measures taken last year to protect the Kurds. Among the actions taken, "one was very effective: barring overflights of the zone by Iraqi aircraft," he said. "Therefore, we are considering among the allies taking the same action in

See IRAQ, Page 6

President and Convention Get Off to a Feisty Start

Compiled by Our Staff From Dispatches

HOUSTON — Republicans coordinated a convention attack Tuesday on Bill Clinton's remedies for the economy and what they called the "black everything" Democratic Congress. Senator Phil Gramm of Texas, the keynote speaker, said a "cavalry charge" was needed to re-elect the Republican ticket and predicted that one was just over the horizon. President George Bush, who is behind in the polls, said the convention was "off to a pretty good start." But there were fresh signs of decay in the economy, his biggest political trouble spot. Housing starts fell 2.8 percent in July despite the lowest mortgage rates in nearly two decades. Construction was off in every region but the South. The second evening session of the convention

featured Mr. Gramm's address and speeches by Housing Secretary Jack F. Kemp and other members of the cabinet. The speeches stressed Mr. Bush's first-term accomplishments and contrasted them to proposals by Governor Clinton, the Democratic nominee. Mr. Gramm, a likely 1996 presidential contender, said the Clinton economic program was "worse than sleaze" and would raise taxes, cut employment and "decimate our economy." The Democrats fought back with two new television commercials — aired during the convention, and only in Houston and Washington — designed to blunt the Republican attacks on their candidate. "And now a short break for the facts," the announcer said in one of them. "On Nov. 5, See BUSH, Page 3

Kiosk advertisement featuring a portrait of Larry Bird and text: 'OFF THE COURT — Larry Bird, the basketball star, announcing his retirement in Boston on Tuesday. Page 14.'

A Shift in U.K. Policy On Troops for Bosnia In a major change in policy, Britain told the United Nations on Tuesday that it was willing to send up to 1,800 ground troops to the conflict in Bosnia-Herzegovina to escort convoys delivering humanitarian aid. Britain had said it was opposed to the use of force to end the fighting in Bosnia, and had been reluctant to commit troops for fear they would become embroiled in the conflict. (Page 2)

Germany gave a rosy economic forecast for the coming four years. Page 9.

Market data table showing Dow Jones (Up 4.59, 3,829.48) and Trib Index (Down 0.76%, 90.82). It also lists 'The Dollar' with values for New York, London, Frankfurt, and other locations.

Record Losses Drive Wang Into Chapter 11

By Lawrence Malkin International Herald Tribune

NEW YORK — Wang Laboratories Inc., the company that pioneered the word processor, filed for bankruptcy protection on Tuesday in a computer industry upheaval punishing companies that fail to keep pace with innovation. The one-time Massachusetts miracle company piled up \$1.5 billion in losses during the past three years and announced that it faced a further loss of about \$1.4 billion for 1992. Wang said it had recorded a loss of \$116 million for the fourth quarter on \$475 million of revenue, despite strategic support from International Business Machines Corp. to sell Big Blue's computers in a deal that did not work out. Coincidentally, IBM announced in New York that it was entering an agreement with Sears, Roebuck & Co. to merge the two companies' huge national data and voice networks in the kind of software deal that many analysts see as the future of the computer business. "Hardware now is just a commodity, and what is happening to Wang is happening to all hardware manufacturers," said Susan McGarry, chief computer industry analyst at the Yankee consulting group in Boston. "The way ahead in the industry now is through software and services, and it will be a struggle for all computer manufacturers to keep up. The United States has been dominant in this field, but foreign companies are making inroads. No place is exempt from competition." The company was founded by An Wang, a Harvard-educated Chinese immigrant, above a Boston hardware store in 1951. He invented the magnetic computer memory, producing a desktop calculator and then a word processor based on a central midsize computer. The Wang system became a worldwide leader but failed to hold its edge in the 1980s because it was based on technology that did not fit with industry-wide standards developed for personal computers. Ill with cancer, Mr. Wang dumped his son as heir apparent and brought in Richard W. Miller from General Electric Co.'s consumer electronics division. When Mr. Miller became chairman after Mr. Wang's death in March 1990, he cut costs, halved the company's \$1 billion debt and accepted \$25 million in capital from IBM to sell its computers with a Wang label. IBM would have added a further \$75 million next year if sales justified it, but clearly they did not. Meanwhile, Wang developed a new office software strategy. But the bankruptcy announcement acknowledged that "the company's resources and cash flow were not sufficient to complete the restructuring without resorting to Chapter 11." Mr. Miller said the bankruptcy filing in Boston federal court was "a drastic step that I deeply regret." But he said it was the only way

See WANG, Page 11

Tokyo's Moves to Cure Market Don't Convince Skeptics

By Steven Brill International Herald Tribune

TOKYO — Alarmed by yet another steep plunge in Japanese stock prices Tuesday, the government announced measures to support the market, but analysts said they were unlikely to have much effect. Finance Minister Tadamasa Hata, announcing the measures, said Japanese financial institutions were in their worst straits since the end of World War II. In Tuesday trading, the Tokyo stock mar-

ket's key Nikkei index plunged 620.14 points, or 4.15 percent, to 14,309.41, its lowest level since March 12, 1986. Authorities are increasingly worried that the decline in the stock market is prolonging and deepening Japan's recession. The Nikkei has fallen 38 percent this year and stands 63 percent below its all-time high set in December 1989. Tokyo's fall on Tuesday fed declines in Europe, where the London, Paris and Frankfurt markets moved lower. The International Herald Tribune World Stock Index closed off 0.76

percent at 90.62, with the index's Asia/Pacific component that includes Tokyo down a sharp 2.58 percent. Having failed to brake the Japanese equity market's decline with classic fiscal and monetary moves, the government is resorting to what it knows best: administrative guidance and micro-management. Mr. Hata said he would urge banks not to sell stocks to raise cash. Further, he plans to loosen regulations to help banks camouflage portfolio

losses and bolster dividends to make their shares more attractive to investors. Analysts praised the government for acknowledging the problems of the financial sector but said the moves smacked of slight-of-hand. "The whole thing is an accounting message," said Craig Chudler, strategist at UBS Phillips & Drew. "It's a game of playing for time and it's very dangerous." Mr. Hata appeared worried that the stock market would fall sharply if Japanese financial

See MARKET, Page 10

Jailed Plotters See Soviet Coup As Patriotic Act

By Michael Dobbs Washington Post Service

MOSCOW — A year after trying to seize power in a coup, the men who wanted to restore a hard-line Communist system in the Soviet Union are unrepentant about their actions, and they feel certain that public opinion is turning in their direction. "A great country was in the process of being destroyed," Gemadi I. Yanayev, the former Soviet vice president, who was the nominal head of the eight-man coup group, said in a television interview from his prison cell. "My colleagues and I wanted to make one last effort to try and save it. My only regret is that I had the chance to change something. I failed." In an open letter to the Russian president, Boris N. Yeltsin, the former KGB chief, Vladimir A. Kryuchkov, described the "August



Soldiers of the Red Banner Tank Division, which was in Moscow a year ago to back the coup, marking the anniversary in training.

Fearing Extinction, a Culture Fastens on the Kurils

By James Sterngold New York Times Service

AKAN, Japan — Masamori Toyooka, a broad-shouldered man who studies the dying language of his ancestors and plays electronic jazz in a coffee shop in this wooded corner of Hokkaido, is searching for something rare in Japan: pride in being different. In his case, it is pride in being a member of the Ainu, Japan's indigenous people, who retreated centuries ago to Hokkaido, Japan's northernmost island. His search has led him into the thick of one of the country's knottiest post-Cold-War problems — how to persuade Russia to return four rugged northern islands seized in the closing days of World War II.

Mr. Toyooka and a group he works with have proposed that the islands, part of the Kuril chain, not be returned to Japan, but transformed into an autonomous region for the Ainu, who people spent centuries hunting and fishing there before being forced out by both the Japanese and Russians. It is a quixotic campaign, and it has met with a stony silence from both sides. Japan's government has invested the issue of the islands with more emotion than any other foreign policy goal. Many Japanese see it as a test of whether this nation, nearly destroyed by a war of its own making, can ever feel completely rehabilitated. For many Russians, the problem also touches a raw nationalistic nerve, since even the prospect of billions of dollars in Japa-

nese aid cannot dampen their anger over the issue. The issue has become even more politically charged recently, with President Boris N. Yeltsin of Russia scheduled to visit Tokyo in mid-September. The two sides have been locked in negotiations over what they will be forced to concede to break the deadlock. But for Mr. Toyooka and some other Ainu who support the idea of autonomy, the island issue has nothing to do with power politics. It represents a last attempt to fend off cultural extinction. There is more than a touch of romanticism in his view that, by returning to their ancestral lands, the Ainu, who have neither hunted nor fished for decades, will reconnect with an an-

cient culture that has been nearly forgotten because of assimilation. Yet, he insists, his proposal is based on a bluntly realistic assessment of the prospects of preserving an independent identity within a society whose creed is homogeneity. "Most Japanese believe in this illusion that Japan is a completely homogeneous state," said Mr. Toyooka, who wears a traditional Ainu embroidered cap and coat. "We are just an obstacle for them." The latest government survey in 1986 counted 24,381 Ainu, scattered in several pockets of Hokkaido, like this tourist stop on Lake Akan, where there are a few rows of souvenir shops

See AINU, Page 6

CAMPAIGN '92 / SPOTLIGHT ON REPUBLICAN CONVENTION

★ELECTION NOTES★

Buchanan Switches Targets, Not Tactics

HOUSTON — When it came to attacking President George Bush during the primary season, Patrick J. Buchanan was so ferocious that the name of the Democratic nominee, Bill Clinton, look like St. Francis of Assisi, the saint Mr. Buchanan once scorned as "the pacifist with the plagues."



A sea of supportive signs greeting President George Bush at the Republican convention's welcoming rally at the AstroDome. Glenn Stockton, a delegate from Fort Scott, Kansas, setting the mood for the president with a symbolic nose during the opening session.

Clinton and Strategists See Both Risk and Gain In Republican Ferocity

By David Maraniss Washington Post Service LITTLE ROCK, Arkansas — Bill Clinton and his strategists, monitoring the Republican National Convention in Houston from their perch in Arkansas, expressed conflicting sentiments about the Republicans' blistering attacks on the Democratic presidential nominee and his wife, Hillary.

Republicans Hire Old Pros To Toughen Media Attacks

The Associated Press chief political assistant from 1985 to 1987. One campaign adviser said the moves were part of a "leaner, meaner campaign shake-up" initiated by the incoming White House chief of staff, James A. Baker 3d, that might include some cuts of midlevel staff members.

Religious Right Rides High in Houston

By David Von Drehle Washington Post Service HOUSTON — Elvis is dead, not to mention the lead singer from the Platters, but Pat Boone still looks about 27 years old, still sings in a voice as soft and fluffy as an angora sweater, and remains among the rare men who can wear a cream-colored suit with a straight face.

Signs Point to Some Haziness About Quayle

HOUSTON — The case of the incredible shrinking vice president: One of the more subtle slights is the official Bush-Quayle convention posters.

Convention's Remembrance of Things Past

HOUSTON — There they go again. The memories came back in a rush. Adolfo, Ivan Boesky, Greed, Junk bonds. Ketchup as a vegetable. Designer frochies. The Evil Empire. Power lunches. Brown suits. Yellow ties. "Cats." Catnaps.

Quote-Unquote

Ronald Reagan on the Democrats: "What they truly don't understand is the principle so eloquently stated by Abraham Lincoln: 'You cannot strengthen the weak by weakening the strong. You cannot help the wage-earner by pulling down the wage-payor. You cannot help the poor by destroying the rich. You cannot help men permanently by doing for them what they could and should do for themselves.'"

Away From the Hustings

- The strongest aftershock of the Landers-Big Bear earthquake sequence in more than a month, a magnitude 5.2 temblor, hit Southern California, shaking a wide area but causing no reported damage.
- In John Demjanjuk's case, a federal appeals court in Ohio ordered a special inquiry into the Justice Department investigation that led to his being stripped of his citizenship and sent to Israel to stand trial as "Ivan the Terrible."

BUSH: With Assaults, President and Convention Get Off to a Feisty Start

(Continued from page 1) 1990, George Bush signed the second-biggest tax increase in American history. Under Bill Clinton, Arkansas has the second-lowest tax burden per person in the country.

Good Wife / Bad Wife: Marilyn Quayle as Hillary Clinton's Foil

By Alessandra Stanley New York Times Service HOUSTON — In the Republican Party, Marilyn Quayle is seen as having one special gift: she is the Un-Hillary.

Marguerite Sullivan, Mrs. Quayle's chief of staff, was asked to draw distinctions between her boss and Mrs. Clinton. "Marilyn Quayle is absolutely committed to her family," she replied. "She makes time for the children; she's always home for dinner at 7 P.M."

Mrs. Clinton, Mrs. Quayle is surrounded by close female friends who speak glowingly of her humor and compassion, her extraordinary dedication to such causes as promoting early detection of breast cancer and her tireless efforts on behalf of the international disaster advisory committee that she heads.

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INTERNATIONAL Herald Tribune

Finally, Help for Somalia

High marks to President George Bush, and to whoever urged his pen, for ordering the Pentagon to airlift food to millions of starving people in Somalia.

Back Iraq's Opposition

A year ago, George Bush had reason to hope that his leadership of the coalition victory over Iraq would cement his re-election, if not a place in history.

Republicans Need Change

The platform that the Republican convention adopted on Monday in Houston rings with partisan passion, but as a document to promote President George Bush's campaign for re-election it lends with a disappointing touch.

Other Comment

A Big Step for North America The North American Free Trade Agreement announced last week is Mexico's green card for entry into the modern, free market economy that brings prosperity to her American and Canadian neighbors to the north.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairman LEE W. HUEBNER, Publisher

A New Focus on Saddam

WASHINGTON — U.S. war plans for a strike against Saddam Hussein now center on the Iraqi dictator's escalating campaign of terror against the Shiites in southern Iraq — not on United Nations inspections of government ministries in Baghdad.

Under the twin pressures of Saddam's intransigence and the U.S. election campaign, Bush is reversing the failed policies he has pursued since the end of Desert Storm.

altered as a result of a continuing debate at senior levels of the Bush administration. At issue is the degree of provocation by Saddam needed to justify new coalition air attacks.

Russia's Constitutional Trial: A Final Hearing on Lawlessness

CAMBRIDGE, Massachusetts — On July 7, 1992, an unusual spectacle unfolded in the center of Moscow, off Staraya Ploshchad, where until recently the all-powerful Central Committee of the Communist Party of the Soviet Union had had its headquarters.

Even if the Communists toppled the democratic government, they would be able neither to solve the basic problems that afflict the country nor frighten the population into total submission.

government of President Boris Yeltsin and its predecessor, the CPSU. The event had no precedent in Russian history, for Russia's governments always stood above the law.

A Year Later, We Live Without Fear

MOSCOW — Last Aug. 19, the telephone rang at 6:30 A.M. It was a friend calling from California to tell us about a coup taking place here in Moscow.

OPINION



in Russia, where for 70 years the CPSU had monopolized the historical sources as well as the writing of history, what is obvious to Western specialists can come as a revelation.

1917: Tear Is Removed

PETROGRAD — In the gray mist of morning, while the population was asleep, Nicholas Romanov and his family were removed from the Alexander Palace under the personal supervision of M. Kerezhki, the Premier.

1942: Labor Distraction

SEATTLE — [From our New York edition:] The Boeing Aircraft Company, maker of the flying fortress bomber, plans to segregate women workers because the men are always looking at them, thus slowing production.

1892: Out in the Cold

LONDON — Mr. Gladstone has distributed his offices with the usual result. Few have got the places they wanted or for which they deemed themselves best qualified.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Out in the Cold LONDON — Mr. Gladstone has distributed his offices with the usual result. Few have got the places they wanted or for which they deemed themselves best qualified.

and here Taiwan, The writer is Baird professor of history at Harvard and author of 'The Russian Revolution.' He contributed this comment to The Washington Post.

OPINION

And Here in the Opposite Corner, Raring for a Fight...

By Richard Ben Cramer

HOUSTON — George Bush has got 'em right where he wants 'em. His plane is on fire, he's miles from the target, he's hurtling down with a ton of bombs strapped underneath...

Who was this little guy? Dukakis didn't know the world really worked. He was just another Jimmy Carter, a technocratic tinkerer, who could not be trusted with America's fate in a hostile world...

At the Republican convention in Houston, all the talk from those-in-the-know is about desperate political maneuvers. Can James Baker, on his way back to the bridge, make the White House and campaign churn the water together?

LESS than two years after victory plume in the Gulf War, President Bush's popularity is at a low ebb. He has returned to his adopted hometown of Houston as one of the most unpopular incumbent presidents to seek re-election in five decades.

man saw his Gallup popularity plunge 55 points during a 15-month period immediately after World War II, but he was able to recover to win re-election two years later.

in an administration. The approval ratings of the last two incumbents to lose re-election bids — Gerald Ford and Jimmy Carter — averaged 47 and 41 percent during the first eight months of their final years in office.

assets in the region or the will in Congress. But you had to see Saddam through the Bush-eyes. Here was a tinhorn, never been anywhere, had no sense of how to behave.

When I asked Mr. Bush's men about the vicious '88 campaign, Lee Atwater, the campaign manager — now deceased, alas — explained it in electoral terms. They had to pile up the negatives on Michael Dukakis's head to bring him down in the polls.

The Trick, You Might Say, Is Getting the Insurance

By Walter Wells

PARIS — In a large sense, the car I found in the first place. Not just any car, at least not for me, the 1975 Porsche 911 came into my life in 1982 with a past that included 90,000 kilometers and one change of paint...

MEANWHILE

bookkeeping. When she surprised me with the news that she had accomplished this I was touched, even dumbfounded. I was also eager to spend the money.

It was advice that found a respectable lawyer. The lawyer was confident — we even decided on the restaurant where we would celebrate the recovery. There was but one guy who had been tooling around in my car since acquiring it from a chop shop at an appreciably discounted price and with a clearly false registration card six weeks after it disappeared from my locked garage.

LETTERS TO THE EDITOR

Somalia: World's Problem, World's Job

The international community should build up a military coalition to deliver food and medicine to the starving people of Somalia. While there are dangers, because of the civil war there, the country's geography would make it easy for foreign troops to be deployed and to reach the people in need.

MARC BOJANIC, Paris.

Anna Quindlen ("Meditation, Somalia Is Worse," Aug. 13) and The Washington Post ("Calamity Scarcely Noticed," Aug. 14), among others, call on the U.S. government to take the lead in helping Somalia. Overlooked is the fact that Somalia is a member of the Arab League, a regional organization that includes some very wealthy countries.

STANLEY B. ALPERIN, Villardomire-sur-Mer, France.

I see only one possibility for Somalia: the international community should intervene directly by providing humanitarian aid only in exchange for weapons. Ten kilograms of rice for one rifle might be a reasonable rate of exchange, given the number of weapons there.

A. GASPERI, Scheveningen, Netherlands.

The Busy Plutonium Trade Regarding the editorial "America Isn't Asia's Cop" (Aug. 11): As The New York Times points out, the prospect of nuclear proliferation is likely to supercharge the dynamic of the next 50 years as it did that of the last. Fear about North Korea's nuclear program may well lead South Korea to reconsider its renunciation of nuclear weapons. This could force Japan to reconsider its policy against nuclear arms.

has become the key silent partner in the trafficking of plutonium into Asia. With the blessing of the Reagan administration, the U.S. government signed off on an international nuclear foreign policy that gave Japan a 30-year carte blanche to compile as much plutonium as it could produce in European and Japanese separation (or reprocessing) plants.

Some 45 metric tons of plutonium will have been separated in Europe and prepared for transport to Japan by the end of the century. It is estimated that Japan may well have stockpiled some 90 to 100 tons of plutonium by 2010.

includes the option for future separation of plutonium from South Korean irradiated nuclear fuel. Since Seoul's original nuclear fuel is of U.S. origin, as is a good deal of Japan's, such a contract would have had to meet with U.S. approval. The United States has the power to stop these transactions. The threat posed by plutonium stockpiling in coming years could well lead to the construction of deterrent nuclear arsenals.

Two Cheers for Royalty Regarding "Down With Monarchy" (Letters, July 29): Urban rioting cannot be equated with the monarchial system of government. Britain has always had royalty, yet inner-city rioting is a new phenomenon. It is due to the huge influx of immigrants, which will take some time to integrate in a more stable society.

ment system is the amount of corruption and crime. A little research would show that European countries with royal families have crime and corruption rates much below the average. Well above average is a certain North American republic.

As an Australian, I respect my queen. She is fair and responsible. A constitutional monarchy, she has only once intervened in our government. In 1975, the Australian Labor Party was unable to govern and so was dismissed by the governor-general (the Queen's representative). The move, widely condemned at the time, is now recognized as just and wise.

GENERAL NEWS

For Taiwan, Quiet Gains in Status Where It Counts

By Laurence Zuckerman

TAIPEI — A diplomatic tug-of-war ended last month when Niger decided that \$50 million in hard cash was worth more than the promise of a low-interest loan and therefore decided to recognize Taiwan.

Immediately, China, which established relations with the African nation in 1974 and considers Taiwan a "renegade province," broke relations with Niger and withdrew a group of doctors it had dispatched as part of a foreign-aid package.

The incident was but one example of the diplomatic proxy war that Taiwan and China have been waging since 1949, when Chiang Kai-shek and the remnants of his Nationalist Army were forced to seek refuge on Taiwan after their defeat by the Communists.

It is a war that Taiwan keeps waging despite the fact that the United Nations and most of the world withdrew recognition from Taipei and bestowed it on Beijing in 1971. Periodic competition over which of the two has the right to set up an embassy in Guinea-Bissau or Nicaragua continues to make headlines. But meanwhile, virtually unnoticed, Taiwan has subtly but significantly made diplomatic gains in Europe and Asia.

tries nobody has ever heard of," said a Hong Kong businessman who follows Taiwan closely, "when the real story is the big countries who have upgraded their status."

Foreign representatives and Taiwan officials say the change reflects the swift move toward democracy on the island in recent years as well as a growing recognition of its wealth and economic clout.

"In the past, our country was considered not very democratic," said Sauntering King, director of the Foreign Ministry's Department of European Affairs. "It was a very great problem."

Britain, Sweden and the Netherlands recently dispatched career diplomats to head their unofficial representative offices in Taipei for the first time, replacing business executives or trade officials. Australia and Canada will follow suit in the next few months.

joint development of Subic Bay naval base into a free-trade zone after U.S. forces complete their withdrawal later this year.

A taboo against visits to Taiwan by high-level foreign officials was also broken last year when France's minister of industry and regional planning, Roger Naroux, visited the island for the first time. Since then, no fewer than 30 sitting ministers or former officials have come to Taiwan.

The ending of 40 years of martial law and the move toward a more democratically elected government have made Taiwan more palatable to the West. And \$63 billion in annual imports, \$37 billion in foreign exchange reserves and a decision to mount a multibillion-dollar infrastructure development program — referred to by one Western official as "the \$300 billion carrot" — have made many countries take notice.

"Taiwan may be a diplomatic pygmy, but it is an economic giant," said the representative of a Western country. Only 30 countries, mostly in Africa and Central America, have full diplomatic relations with Taiwan. Others that wish to be represented in Taipei without offending Beijing use trade offices or cultural institutes, a precedent set by the United States when it transferred recognition to Beijing in 1979.

in Taiwan, the unofficial embassy, must resign from the Foreign Service before joining the private corporation, which is funded by the State Department. This is a mere technicality, however, because when their tour in Taiwan ends, they simply rejoin the federal bureaucracy.

Other countries who have career diplomats in Taipei, such as France and Britain, follow the same practice or, in the case of Japan, send a retired ambassador.

Most countries are still extremely alert to the sensitivities of Beijing, which routinely protests anything that might hint at official recognition of Taipei. But they have been emboldened by the rapidly growing unofficial economic cooperation between Taiwan and the mainland.

"The interaction between Taiwan and the mainland dwarfs any of our initiatives," said the Western representative. "The sheer number of people and money going back and forth make Beijing's protests somewhat ridiculous."

But foreign representatives say there is a limit to how far they can go. "Obviously, the PRC in a geopolitical sense is vastly more important than Taiwan," the Western representative said, referring to the People's Republic of China. And as the mainland economy and foreign trade grow, he added, Taiwan's influence will diminish.

MOSCOW: Jailed Plotters of Anti-Gorbachev Coup Still Insist It Was an Act of Patriotism

(Continued from page 1) "Jents" — he refused to use the word "coup" — as a "cry from the soul."

"History will hold responsible for the fate of the Soviet Union not those who made an attempt to save it but those who ruined our powerful and united motherland," he wrote.

Arrested immediately after the collapse of the three-day coup, the members of the self-proclaimed Emergency Committee have been languishing in prison since then.

Once counted among the most powerful figures in the Soviet Union, they now share their plain prison cells with common criminals, subsisting on a diet of boiled oats, potatoes and occasional slivers of grisly meat.

There seems little prospect that the "putschists" — as they are called here — will be brought to trial anytime soon. The investigation into the Aug. 18-to-21 coup, which was officially completed in January, was reopened this month to allow the study of new evidence. In a recent interview with the German magazine Stern, the chief Russian prosecutor, Valentin Ste-

pankov, said he doubted that sentences could be handed down before the middle of next year, at the earliest.

The official reason for the protracted legal proceedings is that several of the defendants have still not finished reviewing the 125 volumes of evidence and 50 three-hour videocassettes collected by the prosecution.

Under Russian law, no trial can be held until all defendants have had the opportunity to study the evidence against them and to appeal.

Some Russian commentators have speculated that the government does not want to bring the leaders to trial at a time of deepening economic crisis. It is widely believed that they and their supporters would try to use the trial as a forum for exploiting a groundswell of discontent over rising prices and growing crime.

"A trial would provoke a new wave of dissatisfaction in Russia," said Alexei Galaganov, a lawyer for Valentin S. Pavlov, the former prime minister. "We do not need a sharpening in the situation right

now. Various pretexts could be found for halting the case. The defendants are being accused under Soviet laws, but the Soviet Union does not exist anymore."

Opinion polls suggest that many Russians are losing interest in the 13 people indicted in the attempt to overthrow Mikhail S. Gorbachev, the last Soviet president.

A poll in the evening newspaper Ivestia this week indicated that 42 percent of Moscovites thought that a trial of the coup leaders was essential, against 30 percent who thought they should be freed. The remainder gave no opinion.

Growing disillusionment with the fruits of democracy, however, does not appear to translate into significantly greater support for the leaders of the coup. About 42 percent of Moscovites now describe themselves as supporters of the "democratic camp," down from 62 percent a year ago.

Support for the actions of the Emergency Committee has grown from 4 percent of the population to 7 percent.

seized power on the evening of Aug. 18 after taking steps to isolate Mr. Gorbachev at his holiday villa at the Black Sea resort of Foros.

Mr. Kryuchkov summoned senior officials to the Kremlin and told them that the president was ill and it was necessary to preempt a coup attempt by "democrats" who had allegedly drawn up a list of people targeted for execution.

The country learned about the coup at 6 A.M. the following day when state-run television and radio announced that Mr. Yeltsin had taken over as acting president and began broadcasting Emergency Committee decrees.

The leaders of the Emergency Committee soon began arguing among themselves over how to deal with Mr. Yeltsin and other opposition leaders.

Evidence collected by the prosecution shows that, at 9 A.M. on Aug. 20, Mr. Kryuchkov ordered the military to draw up plans to storm the Russian parliament building, known as the White House. But Mr. Yeltsin and other members of the committee refused to approve the plan, fearing that it would lead to enormous bloodshed.

Mr. Galaganov said that Prime Minister Pavlov went home "sick" on the second day of the coup, because Mr. Pavlov had opposed the decision to order troops into Moscow.

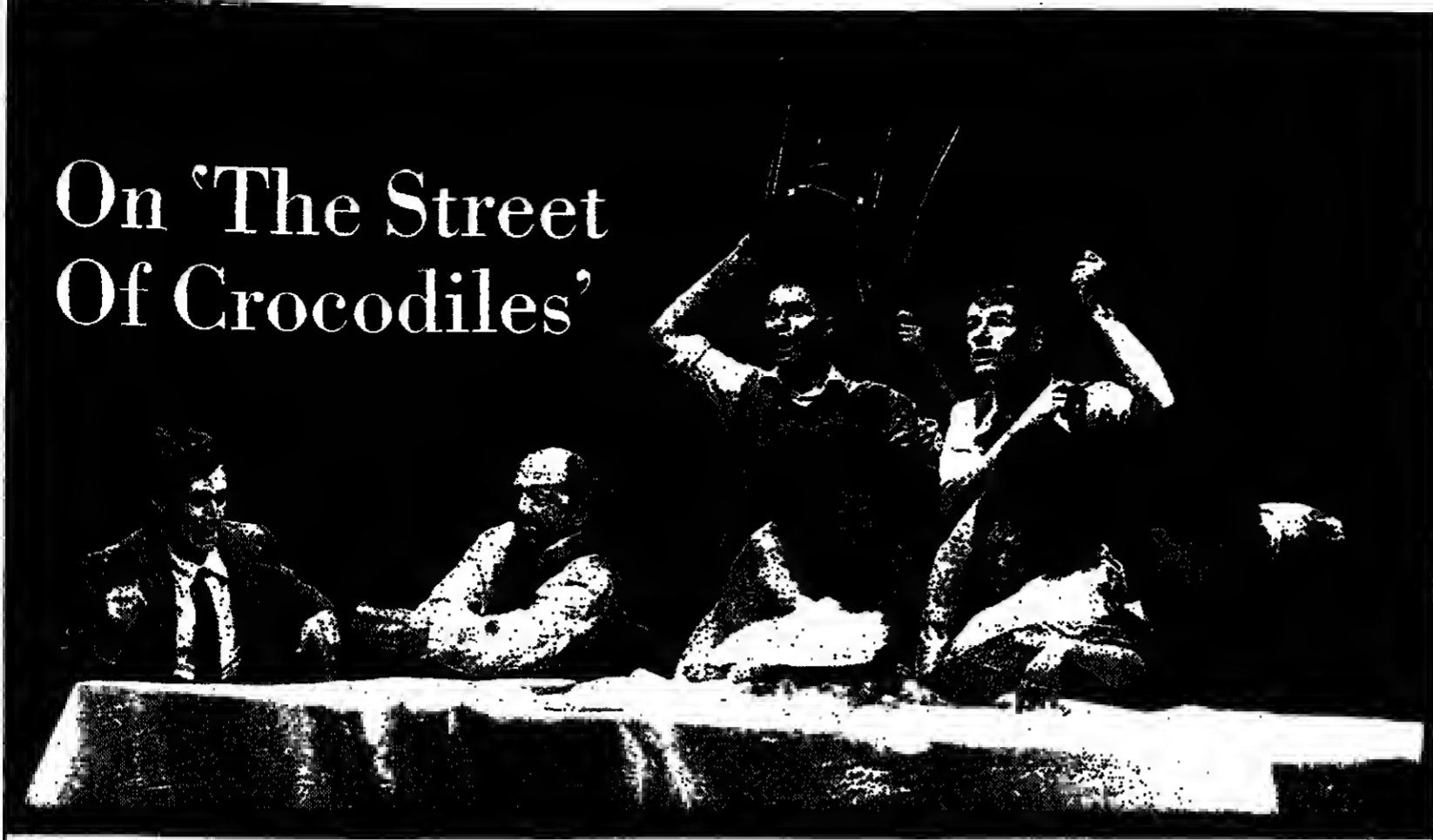
Although the pretrial investigation is ostensibly secret, details of the prosecution case are likely to pour out over the next few weeks. Mr. Stepankov and his assistant, Yevgeni Lisov, have sold their account of the investigation, along with copies of hundreds of prosecution documents, to the Moscow weekly Ogonyok, which passed worldwide rights on to Stern.

Newsweek magazine has bought the American rights for an undisclosed sum.

The trade in official documents by Russia's chief law enforcement officer has provoked sarcastic comments, but little outrage in a country where almost everything seems to have a price.

Herald Tribune advertisement for 'GOING TO KOREA?' featuring a list of hotels in Seoul, Pusan, and Kwangju, and a photograph of a traditional Korean building.

On 'The Street Of Crocodiles'



'The Street of Crocodiles,' based on short stories by Bruno Schulz and directed by Simon McBurney, at the Cottesloe Theatre.

By Sheridan Morley
International Herald Tribune

LONDON — After the triumphs of "Six Degrees of Separation" and "Death and the Maiden," the Royal Court returns to its more traditional Sloane Square concerns with April De Angelis's "Hush," in which the death of socialism and the 1980s loss of faith are debated by the usual selection of Chelsea mourners.

De Angelis's influences range from Edward Bond to David Hare, and her play therefore lurches from the occasionally surreal to the more traditional Guardian complaints about a society that has lost its capability for sympathy or identification with underdogs. But "Hush" reads better than it plays, and not even Max Stafford-Clark's fluid production can disguise the fact that we have several intriguing characters here in search of an author who can frame them into something more coherent.

THE BRITISH STAGE

True, one of the characters here thinks he is a dog, barking his way around the stage in a canine plea for attention, but as nearly all others have been washed up either literally or metaphorically, on the beaches of rapid social and political change, his pleas for charitable treatment are apt to be counterproductive.

The uneasy truth is that plays about Britain in the '80s have dated as fast as the instant biographies of Lady Thatcher, and that the Court might do better to stick to its new-found internationalism.

standing of who Schulz was or why we should want to get to know his work. On a stage full of disorienting, disturbing, absurdist images certain themes do emerge: Schulz seems to have been indebted to Alphonse Allais and Franz Kafka in roughly equal measure for a mix of absurdist fantasy and complex nightmares that are brought to historical reality with chilling effect when we hear the approach of jackboots at the door.

Groz and the Marx Brothers are also somewhat present in an adaptation and production by Simon McBurney that is full of sound and fury but signifies not a lot, except I would guess to experts on Schulz who may well welcome this briskly mined, menacing gallop through his tales played out, when language is needed, in bursts of German and Polish on the borderline where dreams become nightmares of Occupation and invasion.

and Jean Boht, as the country couple farcically mistaken for innkeepers by their prospective son-in-law, this should have been a vintage revival of the Goldsmith classic ideally suited to Chichester in its museum mood. But Wood has, very unusually, been unable to impose any overall playing style on his troupe, and the cast therefore lurches uneasily from one comic convention to another, apparently uncertain which one will best suit the action.

Lain Glen and Susannah Harker are little more than charming as the eventual lovers, Jonathon Morris is an irredeemably modern Tony Lumpkin, and Quilley and Bobt are both so benign as the parents that it is very hard for the production to achieve any real tension of mistaken identity or prospective marital mishap.

Singing the News: Operas for Our Times

By Joseph McLellan
Washington Post Service

WASHINGTON — A new complication has been added to the already-arduous work of being a news maker in the late 20th century: You may find yourself featured not only on the evening news but in the local opera house as well.



Ben Holt singing the lead role in a scene from "X."

And sooner or later, we can expect to see the next step: an opera composer used by someone he has set to music.

What has happened, I think, is that opera has entered the 20th century — not a minute too soon when you consider how little of that century we have left. This means that opera has shed its romantic illusions without losing its historic penchant for fantasy.

set to music. Today, it's what we see on the 10 o'clock news.

Operas about Cleopatra are fine, but it will be easier to sell tickets for one about Marilyn Monroe if that long-contemplated project of the Washington Opera ever becomes a reality.

Now it's a free-for-all: not only the folk heroes and villains of our century, but ordinary people notable mostly for their psychological anomalies (the man who mistook his wife for a hat), for the way the world has let them down (welfare clients) or for the quiet desperation with which they slog from day to day through jobs that ultimately can't be done (social workers).

Marilyn is no longer current news, of course. Neither is Mahatma Gandhi, whose invention of nonviolent political action is the subject of Philip Glass's "Satyagraha." Or Huey Long, the timely disguised subject of Carlisle Floyd's "Wilke Stark," which is based on Robert Penn Warren's novel "All the King's Men." But all are a part of living memory and some are a serious challenge to the widespread opinion that opera has to be about people who are either imaginary or dead for a long time.

A Cult Figure Goes Video

Celibidache, at 80, Changes His Tune on Recording

By John Rockwell
New York Times Service

PARIS — Most of us try to judge artists by their work, not their personalities. But what to do about a conductor who professes the noblest and most mystical ideals yet acts like a tyrant, presents the public image of a snake-oil huckster and seems now to have betrayed a lifelong credo of opposition to recordings?



Sergiu Celibidache: A lifelong belief in spontaneity.

In other words, how does one respond to the Romanian conductor Sergiu Celibidache? After a strange and erratic career spent bouncing from second-rate orchestras to second-rate orchestras, Celibidache, who recently turned 80, has finally settled in Munich, where he leads yet another second-rate orchestra, the Munich Philharmonic.

During the late 1930s and World War II, Celibidache studied music in Berlin. After the war he was plucked from obscurity by the Allies and made chief conductor of the Berlin Philharmonic while Wilhelm Furtwängler struggled to "denazify" himself.

his boycott of recordings, most suggesting that to capture one particular musical event, frozen in time and cut off from context, is to distort music cruelly.

Cynics argue that by dispensing with microphones, Celibidache has merely fanned the flame of his cult and avoided possibly harsh comparisons.

What is especially not revealed is how Celibidache gets from the rough, gritty playing heard in the rehearsal excerpts to the polished performance (which the musicians play in street clothes, with no audience). Doubters will complain about the slow tempos of the first three movements (the fourth is more conventional), but the beauty of Celibidache elicits and his "love for detail," as he calls it in an aside, are truly worthy of cult devotion.

This disk offers the greatest contrast imaginable between the dress of rehearsal and the glitter of performance — from lead to alchemical transmuted gold. Like some Renaissance scientist-priest-magician, Celibidache guards his secrets, theatrically.

Kitty O'Shea's
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NYSE

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trade elsewhere. Via The Associated Press

Symbol	Price	Change
IBM	115.00	+0.25
MSFT	45.00	+0.12
ORCL	35.00	+0.10
INTL	25.00	+0.08
DISC	15.00	+0.05
WALD	10.00	+0.03
AMZN	8.00	+0.02
GOOG	7.00	+0.01
MSFT	45.00	+0.12
ORCL	35.00	+0.10
INTL	25.00	+0.08
DISC	15.00	+0.05
WALD	10.00	+0.03
AMZN	8.00	+0.02
GOOG	7.00	+0.01

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WALD	10.00	+0.03
AMZN	8.00	+0.02
GOOG	7.00	+0.01

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TRIB INDEX

MARKETS
Color Is New
A Splash of Gold

CURRENC

(Continued on page 11)

NYSE High-Lows

Symbol	High	Low
IBM	115.00	114.75
MSFT	45.00	44.88
ORCL	35.00	34.90
INTL	25.00	24.92
DISC	15.00	14.95
WALD	10.00	9.98
AMZN	8.00	7.95
GOOG	7.00	6.98

AMEX High-Lows

Symbol	High	Low
IBM	115.00	114.75
MSFT	45.00	44.88
ORCL	35.00	34.90
INTL	25.00	24.92
DISC	15.00	14.95
WALD	10.00	9.98
AMZN	8.00	7.95
GOOG	7.00	6.98

MARKET DIARY

Election Concerns Weigh on Stocks

Compiled by Our Staff From Dispatches NEW YORK — U.S. stocks ended slightly higher Tuesday, propped up by a mild rally in the bond market.

But the focus of trading was on whether President George Bush will be able to revive his stumbling re-election campaign, traders said. "The market is on edge," said Hugh Johnson, chief investment strategist at First Albany Corp. "Everybody is waiting to see whether Bush has anything left in him, and we won't find that out until Thursday night when he speaks at the convention."

The Dow Jones industrial average rose 4.59, to 3,329.48, while advancing common stocks outnumbered declining issues by a 7-6 ratio on the New York Stock Exchange. Volume rose to 171.50 million shares from 152 million on Monday. Stocks received a boost from a rebound in Treasury bond prices, which followed news that U.S. housing starts fell 2.8 percent in July. The report prompted some concern about the strength of the economic recovery, but these concerns were

offset by the rise in government bond prices, traders said. The yield on the 30-year benchmark bond slipped to 7.33 percent from 7.35 percent on Monday.

Concern about tension in the Middle East is hurting stocks, traders said. Britain announced plans on Tuesday to deploy Royal Air Force fighter planes to Cyprus in southern Lebanon in support of U.S. troops. The United States and France are expected to join the operation, according to press reports. The most actively traded issue on the New York Stock Exchange, fell 2, to 11 1/2, after it was expected to report break-even results in its third financial quarter. Toys 'R' Us rose 1 1/2, to 38 1/2, after reporting higher-than-expected second-quarter earnings.

American Exploration led the American Stock Exchange active, up 1/4 at 2 1/4, after saying its joint venture with Texaco discovered oil at its exploration well in Tunisia. Medco Containment led the over-the-counter active, up 1 1/4 at 2 1/4, rebounding from Monday's sharp loss after announcing it would acquire American Biodyne in a stock-swap deal valued at \$121 million. (Bloomberg, UPI)

Rate Differentials Push Dollar Near Mark Low

NEW YORK — The dollar fell Tuesday to within 1.5 pfennig of its all-time low against the Deutsche mark after the Bundesbank stiffened its hard-line monetary stance and weak U.S. economic data spurred speculation of a rate cut.

Traders said only the threat of central bank intervention was defended its decision to raise the discount rate to record levels last month. It said inflation risks were worse because price trends had not changed significantly.

"While we're not expecting a Lombard rise, clearly it cannot be ruled out now," Mr. Kern said, referring to the Bundesbank's other key lending rate. Meanwhile, speculation is growing daily that the Federal Reserve will cut rates to pump life into the flagging U.S. recovery.

Tuesday's data supported the easing argument, with July housing starts falling 2.8 percent to 1.119 million units. "The lower housing starts show lower rates are not providing good relief," said Tom Benfer of Bank of Montreal in New York.

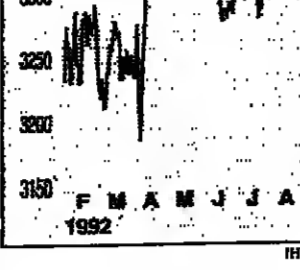
By the close in New York, the dollar had subsided to 1.4575 DM from 1.4645 DM at Monday's close. The currency's low against the mark was set on Feb. 11, 1991, at 1.4430 DM.

The dollar fell against the Swiss franc, to 1.3065 from 1.3165, and against the French franc, to 4.9440 from 4.9625. The pound rose to \$1.931 from \$1.9250. But the dollar gained on the yen, due to a sharp fall in Japanese stock prices, to 126.17 yen from 125.80.

In what one U.S. investment bank trader in London called "probably its most strongly worded monthly report this year," the Bundesbank

The Dow

Daily closings of the Dow Jones industrial average



Aug 1992

Dow Jones Averages

Table with columns: Index, High, Low, Close, Chg. Includes Industrial, Chemical, Finance, etc.

Standard & Poor's Indexes

Table with columns: Index, High, Low, Close, Chg. Includes Industrials, Chemicals, Finance, etc.

NASDAQ Indexes

Table with columns: Index, High, Low, Close, Chg. Includes Composite, Industrials, Finance, etc.

AMEX Stock Index

Table with columns: Index, High, Low, Close, Chg. Includes Composite, Industrials, Finance, etc.

Dow Jones Bond Averages

Table with columns: Index, High, Low, Close, Chg. Includes 30 Year, 10 Year, etc.

Market Sales

Table with columns: Index, High, Low, Close, Chg. Includes NYSE, AMEX, etc.

N.Y.S.E. Odd-Lot Trading

Table with columns: Buy, Sell, Shares, etc.

S&P 100 Index Options

Table with columns: Index, High, Low, Close, Chg. Includes Call, Put, etc.

EUROPEAN FUTURES

Table with columns: Class, High, Low, Prev. Close, Chg. Includes SUGAR, COFFEE, etc.

Metals

Table with columns: Class, High, Low, Prev. Close, Chg. Includes ALUMINUM, COPPER, etc.

Stock Indexes

Table with columns: Index, High, Low, Prev. Close, Chg. Includes FTSE 100, DAX, etc.

Spot Commodities

Table with columns: Commodity, Today, Prev. Close, Chg. Includes Wheat, Soybeans, etc.

Dividends

Table with columns: Company, Per Annum, Pay Date, etc.

Financial

Table with columns: Index, High, Low, Prev. Close, Chg. Includes 3-MONTH STERLING, etc.

U.S. FUTURES

Table with columns: Index, High, Low, Prev. Close, Chg. Includes WHEAT, SOYBEANS, etc.

Grains

Table with columns: Index, High, Low, Prev. Close, Chg. Includes WHEAT, CORN, etc.

Metals

Table with columns: Index, High, Low, Prev. Close, Chg. Includes COPPER, ZINC, etc.

Oil

Table with columns: Index, High, Low, Prev. Close, Chg. Includes SOYBEAN OIL, etc.

Livestock

Table with columns: Index, High, Low, Prev. Close, Chg. Includes CATTLE, PORK, etc.

Food

Table with columns: Index, High, Low, Prev. Close, Chg. Includes COFFEE, SUGAR, etc.

Financial

Table with columns: Index, High, Low, Prev. Close, Chg. Includes U.S. T-BILLS, etc.

Stock Indexes

Table with columns: Index, High, Low, Prev. Close, Chg. Includes SP COMP, NYSE, etc.

Commodity Indexes

Table with columns: Index, High, Low, Prev. Close, Chg. Includes WOODS, etc.

Bergen Brunswig Sweetens Offer

ORANGE, California (UPI) — Bergen Brunswig Corp. sweetened its offer Tuesday for Durr-Fillauer Medical Inc. to about \$402 million in cash from \$317 million, topping a pending \$375 million stock-swap deal from Cardinal Distribution Co.

FoxMeyer, Gibson Hit by Phar-Mor

DALLAS (UPI) — FoxMeyer Corp. said Tuesday that Phar-Mor Inc., which has sought bankruptcy court protection and accounted for 16 percent of its latest quarterly sales, owes it \$74 million.

Compaq Acknowledges Shortages

WASHINGTON (Reuters) — Compaq Computer Corp. said Tuesday in a filing with the Securities and Exchange Commission that it expected its third-quarter revenue and profit to be hurt by parts shortages for some of its products.

Hewlett-Packard Earnings Slip 1%

PALO ALTO, California (Bloomberg) — Hewlett-Packard Co. reported Tuesday that earnings for the fiscal third quarter, ended July 31, slipped 1 percent from a year earlier to \$191 million, or 76 cents a share.

Continental Air Gets Filing Extension

WILMINGTON, Delaware (Bloomberg) — A federal bankruptcy judge granted Continental Airlines a 45-day extension Tuesday to file a reorganization plan without competition from other proposals.

Bally to Exchange Assets for Debt

CHICAGO (AP) — Bally Manufacturing Corp. said Tuesday that it and its debt-ridden subsidiary, Bally's Grand Inc., have agreed with bondholders on a plan to exchange assets in the subsidiary after it is reorganized for current notes.

For the Record

SmithKline Beecham PLC said Tuesday in London that it had formed a partnership with Marion Merrell Dow Inc., to develop and sell nonprescription drugs.

Son Co. said Tuesday it has settled all disputes it had with Iran and the state-run oil company over seizure of SM assets after the Iranian revolution. Iran is to pay \$m 130.5 million.

Dell Computer Corp., the longtime discount personal computer leader, reported a 77 percent increase in fiscal second-quarter earnings on a 129 percent surge in revenue.

MARKET: Tokyo Applies a Band-Aid to the Wound

(Continued from page 1) profit-taking in stocks. As an encouragement, he said the Finance Ministry would suspend a rule requiring companies to report losses on their equity holdings for the interim period. Losses would still have to be shown in full-year accounts.

Analysts said that for the measure to be effective, the banking industry would have to accede to the ministry's request not to sell stocks. But that proposition has been made less likely by government arm-twisting to rescue a number of problem borrowers.

"It will prove impossible for the authorities to intervene in asset markets," said Jasper Koll, economist at S.G. Warburg Securities. "The markets have been deregulated and the authorities will have to face the consequences."

WORLD STOCK MARKETS

Large table listing stock market data for various countries including Amsterdam, Helsinki, Hong Kong, Paris, Sydney, Tokyo, Sao Paulo, Singapore, Zurich, London, Montreal, and Toronto.

Large table listing U.S. Futures market data including Grains, Metals, Oil, Livestock, Food, and various Stock Indexes.

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AGENCY FRANCE PRESS Aug. 18

AGENCY FRANCE PRESS Aug. 18

AGENCY FRANCE PRESS Aug. 18

AGENCY FRANCE PRESS Aug. 18

AMEX

Tuesday's Closing
Tables include the nationwide price up to and including the last trade on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with 7 columns: Stock, Div, Yld, PE, High, Low, APM, Chg. Lists various stocks like AMAX, AMC, AME, etc.

NASDAQ

Tuesday's Prices
NASDAQ prices as of 4 p.m. New York time. The list compiled by the NASD consists of the 1,000 most traded securities in terms of dollar volume. It is updated twice a year.

Table with 7 columns: Stock, Div, Yld, PE, High, Low, APM, Chg. Lists various stocks like ANTC, ANW, ANS, etc.

Multiple columns of financial news, analysis, and market commentary. Includes sections like 'Market Summary', 'Sector Performance', and various news items.

Page 1
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Handwritten note: Up 1/2 on 1.55

Australia Foresees Interest Rate Drop

Compiled by Our Staff From Dispatches
CANNBERRA — Australia is likely to cut interest rates further if inflation stays in check, the government said Tuesday in its budget statement.

cast at 96.5 billion, up 3.2 billion. Inflation is forecast to remain low, about 2 percent, while the current-account deficit is expected to widen to about 3.75 percent of GDP, or 15 billion dollars. The current-account deficit for 1991-92 was 11.9 billion, or 3.1 percent of GDP.

Chinese Firm Seeks Listing On Wall Street

Compiled by Our Staff From Dispatches
BEIJING — A Chinese joint-venture company has applied for a listing on the New York Stock Exchange, an official newspaper said Tuesday.

Asians Wonder Whether Trade Pact Will Kill Their American Milk Cow

By Leslie Helm
Los Angeles Times Service
TOKYO — For decades, America has been the land of opportunity for Asia's booming export industries.

most Asian companies. "Asia can't survive without the American market," Mr. Miyamoto said. Japan might replace America as a major importer of Asian products, but that could take years.

Investor's Asia

Table with columns for Hong Kong Hang Seng, Singapore Straits Times, Tokyo Nikkei 225. Includes line graphs for each index and a table of exchange rates and index values.

Very briefly:

- Telephone Organization of Thailand's director-general, Paiboon Limpayom, has been removed by the communications minister pending a corruption investigation over a concession to a private company to install 4 million telephone lines.

RICE: An Embarrassing Shortage

(Continued from first finance page)
wanted to export rice to Japan but also from internal market forces.

ment controls and subsidies mixed with free-market forces, is cracking at the seams even without the international pressure.

Bank of Japan: Buy, Sell or Hold?

Bloomberg Business News
TOKYO — Investors in Japan, unlike those in the United States, Germany and elsewhere, can own a piece of the country's central bank.

percent. The Nikkei has averaged only a 7.3 percent gain over the same period. But in the past three years, BOJ shares have fallen 75 percent, from 745,000 yen a share, while the Nikkei has dropped 63 percent.

New Delhi Is Planning National Stock Market

Compiled by Our Staff From Dispatches
NEW DELHI — India proposes to open a national stock exchange that would serve as a model for its existing 16 stock markets.

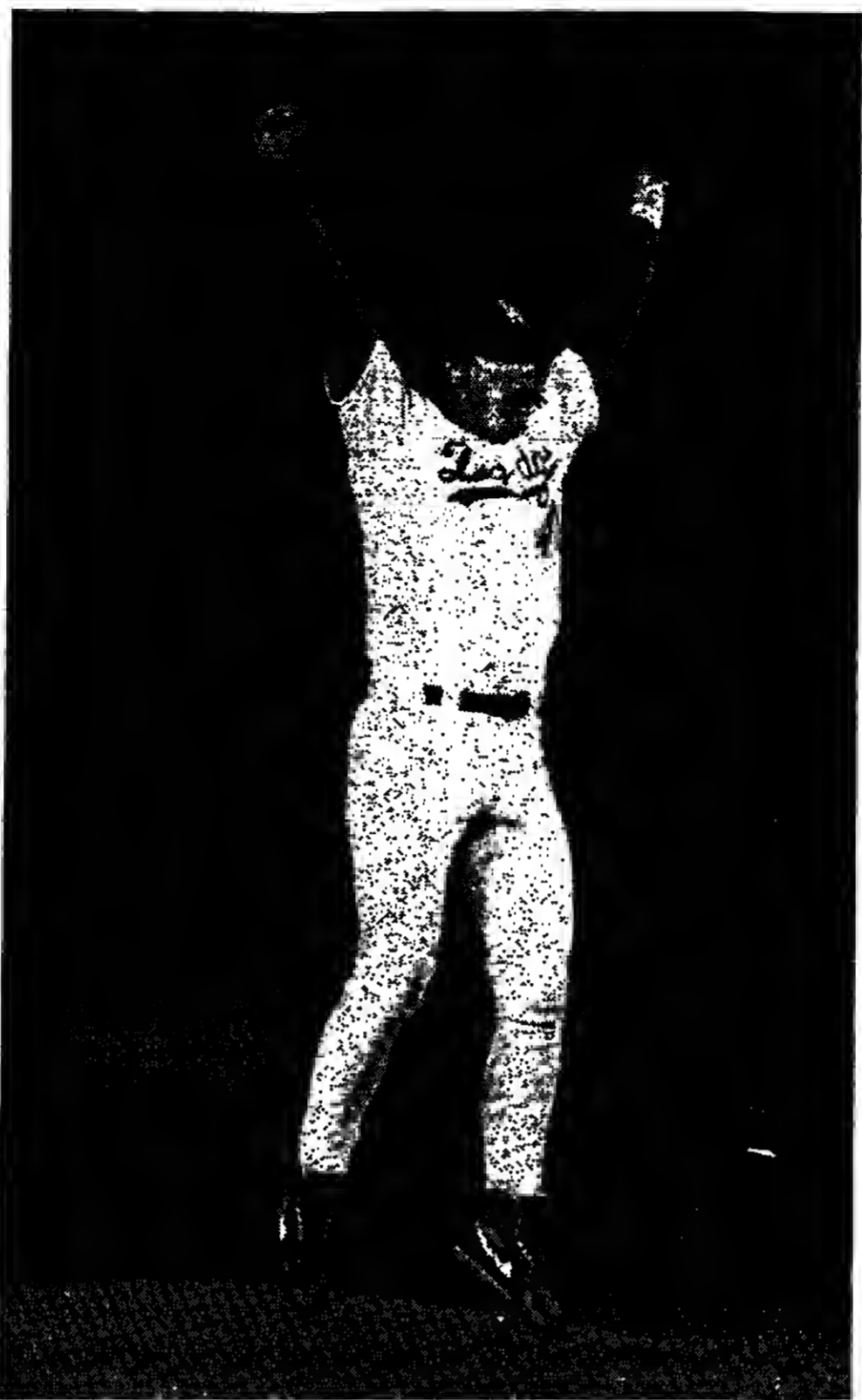
Large table titled 'INTERNATIONAL FUNDS' with columns for fund names, currencies, and values. Includes sub-sections for 'Other Funds' and 'Global Asset Management'.

SPORTS BASEBALL

Braves' Team Spirit Is Winning Friends As Well as Games

By Claire Smith
New York Times Service
PITTSBURGH — The Atlanta Braves, fortunate in their first-place performance in the National League West, are all the more blessed this season because their off-field demeanor is just as winning.

That professional team-oriented behavior is reflected in the relaxed nature of the team's manager, Bobby Cox. For the Braves, that, as of this moment, Atlanta's latest, still is their over National League opponents has as much to do with cohesive teamwork and cooperation among its players as it does with talent and clutching than any other player in the history of the major leagues.



Pitcher Kevin Gross leaps for joy after getting the final out of his no-hitter against San Francisco.

Dodgers' Gross Pitches Season's First No-Hitter

By Bill Flückiger
Los Angeles Times Service
LOS ANGELES — The silver lining in a storm-filled season finally appeared at Dodger Stadium when an exasperated pitcher turned his hard luck into history.

"After Offie caught the line drive, he came in and said, 'We're going to get it,'" Gross said. "With one out in the ninth, Offie-man grabbed a grounder up the middle by Greg Litton to force Mark Leonard at second base after Leonard had been hit by a pitch."

The Dodgers scored in the second and fourth innings against Francisco Olivares. Eric Karros gave the Dodgers their first home run in 116 at-bats in the second inning, his 17th homer and first in two weeks.

In an era of important individual statistics, the Braves exude selflessness at every turn.

Managers like Toronto's hard-nosed Cito Gaston and Oakland's sometimes-frustrated Tony La Russa — burdened with leading peevish superstars — should be so lucky. In an era when individual statistics connected to special contract clauses are known to drive players more so than another contending team, the Braves exude selflessness at every turn.

Olympic Boxing Changes Sought

By Phil Berger
New York Times Service
NEW YORK — Jim Fox, the executive director of U.S. Amateur Boxing, will suggest that the computerized scoring system used at the Barcelona Olympics be overhauled when his organization's board of governors meets in Cocoa Beach, Florida, next month.

Own computerized score for each round. At the end of the bout, the high and low scores would be discarded and the scoring of the three remaining judges would be converted to a 20-point system.

Cancel Rugby Match, ANC Official Urges

The Associated Press
JOHANNESBURG — A top official of the African National Congress has said that South Africa's rugby match Saturday against Australia must be called off. The Star newspaper reported Tuesday.

SIDELINES

Another Piggot Upset, 44 Years Later

YORK, England (Combined Dispatches) — Lester Piggot, on the 44th anniversary of his first winner, rode Rodrigo de Triano to a sensational victory Monday in the highly contested York International Stakes.

U.S. to Widen Testing of Swimmers

LOS ANGELES (AP) — Random, out-of-competition drug testing will be conducted for the first time among the top 150 American swimmers, beginning within the next 60 days, said Ray Essick, executive director of U.S. Swimming.

For the Record

- Steve Howe, the New York Yankees' pitcher, had his plea of guilty to cocaine charges accepted Monday by a federal judge in Missoula, Montana, and was placed on probation for three years, fined \$1,000 and ordered to perform 100 hours of community service.

SCOREBOARD

BASEBALL

Table with columns for Team, W, L, Pct. Major League Standings. American League East Division: Toronto 58, Baltimore 56, Milwaukee 54, Detroit 48, Boston 44, Cleveland 43, New York 33. National League East Division: Pittsburgh 64, Montreal 62, Cincinnati 57, New York 55, Philadelphia 48, St. Louis 47, Cincinnati 42.

Monday's Line Scores

Table with columns for American League, National League, and Soccer. American League: New York 6-1, Chicago 5-4, Detroit 5-4, Kansas City 5-3, Toronto 5-3, Cleveland 5-1, Boston 3-2, Baltimore 2-1, Milwaukee 2-1. National League: Pittsburgh 5-3, Montreal 4-2, Cincinnati 4-1, New York 4-1, Philadelphia 4-0, St. Louis 3-2, Cincinnati 3-1.

TRANSACTIONS

Baseball: Detroit — Signed Rocky Green, pitcher, to minor-league contract. Milwaukee — Released Mike Hersh, left wing, from Montreal for a 1993 8th-round draft pick. Hockey: Minnesota — Released Mike McNeill, left wing, from Montreal for a 1993 8th-round draft pick.

FOOTBALL

NFL Preseason: New Orleans 24, Pittsburgh 9, Buffalo 21, Detroit 24. Cricket: FIRST TEST: Australia vs. Sri Lanka, Second Test: Australia vs. Zimbabwe at Lord's, 3rd Test: Sri Lanka vs. India.

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OBSERVER

President à la Mode

By Russell Baker
WASHINGTON — President Bush says he is about to enter "campaign mode." Does this mean America will then have president à la mode? Absolutely not. Do you think the president is a slice of pie? This is the same answer I had from Bush's mode handler when he was asked if president à la mode was a dangerously high-calorie finish to a four-year bout of governance.

What's it like when Bush enters campaign mode? It is surprisingly unexciting. He undergoes no noticeable physical change. Through-out the entry he remains to the naked eye the same charming, gracious gentleman the world sees when he is cruising along in George-Bush-of-Yale mode.

By Michael Dobbs
WASHINGTON Post Service
S.T. PETERSBURG — For more than a quarter of a century until his death in 1990, Boris B. Pyotrovsky fought with the Communist regime to preserve one of the jewels of world culture — the Hermitage museum in Leningrad. Today his son, Mikhail B. Pyotrovsky, is waging a similar battle with Russia's democratic government.



Mikhail Pyotrovsky, the new director of the Hermitage.

It seems that the elder Pyotrovsky had the easier task. "The Communists understood that it was necessary to show the world they were capable of preserving the country's cultural heritage," said Mikhail Pyotrovsky, who was appointed director of the Hermitage last month. "If you were in charge of a place like the Hermitage, it was possible to squeeze the money you needed out of the government."

PEOPLE

Newton in Bankruptcy

Wayne Newton, the singer-actor who began as a child star and rose to fame as a headliner in Las Vegas, has filed for bankruptcy protection over an estimated \$20 million in debts. Newton's assets have not yet been appraised, but they "pretty much include everything he has," said his lawyer, Gerald Gordon. The holdings include Newton's Arabian horse ranch and his mansion on the outskirts of Las Vegas. Newton, 50, makes millions of dollars a year, but some of his investments have gotten him into trouble. In 1989, he had to get a court order to keep a savings and loan association from foreclosing on land he owned across the street from his home.

Crew, his individual members and Luke Skywalker Records in 1990 after the group recorded and distributed a version of the song. Alison Wardle, the nanny who has cared for the Duchess of York's two young daughters since they were born, is quitting, and the London tabloids say the duchess's Texan friend, Johnnie Boyer, is the cause. Wardle, who cares for Princess Beatrice, 4, and Princess Eugenie, 2, was said to have called Bryan "a typical hippy-then-life Texan who loves himself, enjoys giving orders and has no manners." But Bryan dismissed allegations that the nanny is resigning because of him and said she was leaving to become a nursery school teacher. Bryan, who has been a constant companion of the duchess since she separated from her husband, Prince Andrew, five months ago, also denied that he had moved in with her at her home near London. Paris Match magazine denied Tuesday that it was about to publish pictures of the duchess frolicking topless on vacation in the south of France. A Paris Match editor said that he had been offered photographs, but that they were taken from so far away it was not even clear that they were of the duchess.

TODAY'S BUSINESS MESSAGE CENTER
Appears on Page 6
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TO OUR READERS IN HOLLAND
The International Herald Tribune is now on newsstands throughout Holland every morning six days a week Monday-Saturday. If you have problems getting your copy, please contact: Edipress International B.V. P.O. Box 554, NL 2130 AN Hoofddorp

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